

# RESORTTRUST FINANCIAL DATE

Fiscal 2013 (ending March 31, 2014)

CONSOLIDATED FINANCIAL SUMMARY

For the Second Quarter Ended September 30, 2011, 2012 and 2013



RESORTTRUST  
GROUP

(securities code: 4681)

# CONSOLIDATED FINANCIAL SUMMARY

For the Second Quarter Ended September 30, 2011, 2012 and 2013

(millions of yen)

	2Q			Fiscal Year	
	Sep-30,2011	Sep-30,2012	Sep-30,2013	2013/3 result	2014/3 revision target
Net sales	49,098	52,660	57,743	105,311	112,100
Operating income	5,215	6,995	8,369	12,054	14,000
Ordinary income	5,801	7,230	9,554	12,976	15,100
Net income (interim)	3,572	4,332	4,912	7,127	8,400
Net assets	64,694	69,645	78,020	73,145	
Assets	232,458	238,381	275,718	253,861	
Net assets per share (yen)	1,237.19	1,324.31	1,453.81	1,373.70	
Net income per share (yen) (Primary)	76.59	92.32	101.37	150.76	
Net income per share (yen) (Fully Diluted)	76.55	91.68	97.61	149.23	
Equity rate (%)	24.8	26.3	25.7	26.1	
Return on assets (%)	-	-	-	2.91%	
Return on equity (%)	-	-	-	11.40%	
Net cash provided by (used in) operating activities	2,403	4,796	7,752	21,338	
Net cash provided by (used in) investment activities	(2,143)	(11,874)	(12,222)	(15,958)	
Net cash provided by (used in) financing activities	710	5,861	15,289	11,447	
Cash and cash equivalents	22,957	20,672	49,536	38,716	

## MAJOR MANAGEMENT INDICES

For the Second Quarter Ended September 30, 2011, 2012 and 2013

### Net sales

(Millions of Yen)

	2Q		
	2011	2012	2013
Membership Operations	13,387	14,075	14,787
Hotel and Restaurant Operations	26,397	27,816	29,274
Golf Operations	3,929	4,926	4,774
Medical Operations	5,156	5,464	8,525
Others	227	377	380
Total	49,098	52,660	57,743

### Operating income

(Millions of Yen)

	2Q		
	2011	2012	2013
Membership Operations	1,218	2,251	2,597
Hotel and Restaurant Operations	3,174	3,162	2,902
Golf Operations	243	643	492
Medical Operations	499	803	2,211
Others	78	134	165
Total	5,215	6,995	8,369

## Business Results

### (1) Overview of Second Quarter of Fiscal Year Ending March 31, 2014

#### 1. Summary of Business Results

Initial plans for the current fiscal year were announced on May 13, 2013.

The earnings forecast was revised on October 15, 2013.

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	52,660	57,743	54,900	+9.7%	+5.2%
Operating income	6,995	8,369	7,000	+19.6%	+19.6%
Ordinary income	7,230	9,554	8,100	+32.1%	+18.0%
Net income	4,332	4,912	3,800	+13.4%	+29.3%

Regarding the current status of the Group for the second quarter under review, sales of both Medical Memberships and Hotel memberships were strong. In April 2013, furthermore, the Sun Members resort facility Resorpia Hakone reopened after being remodeled, while in June Hotel Trusty Kanazawa Korinbo, the seventh facility in the Hotel Trusty lineup, newly opened for business. These developments contributed to profits while also listing of business commencement expenses and other outlays. As a result, both sales and income for the second quarter under review increased, with the figures as follows: net sales increased 9.7% year on year to ¥57,743 million, operating income surged 19.6% to ¥8,369 million, ordinary income rose 32.1% to ¥9,554 million, and net income stood at ¥4,912 million, up 13.4% from the same quarter of the previous fiscal year.

An overview of segment information, including business results, is presented below.

#### 2. Summary of Business segments

##### 【Membership Operations】

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	14,075	14,787	14,380	+5.1%	+2.8%
Operating income	2,251	2,597	2,160	+15.3%	+20.2%

Membership Operations resulted in increased sales and income, primarily reflecting strong sales of memberships in XIV Yamanakako sanctuary villa and Tokyo Baycourt Club.

##### 【Hotel and Restaurant Operations】

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	27,816	29,274	28,380	+5.2%	+3.2%
Operating income	3,162	2,902	2,880	(8.2%)	+0.8%

Hotel and Restaurant Operations resulted in increased sales and decreased income. In April 2013, the Sun Members resort facility Resorpia Hakone reopened after being remodeled, while in June Hotel Trusty Kanazawa Korinbo, the seventh facility in the Hotel Trusty lineup, newly opened for business. While these moves contributed to profits, the increase mainly in business commencement expenses and expenses for repair and maintenance was reflected in the quarterly results for this segment.

**【Golf Operations】**

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	4,926	4,774	4,850	(3.1%)	(1.6%)
Operating income	643	492	470	(23.4%)	+4.9%

Golf Operations decreased in sales and income, primarily attributable to the decline in the volume of golf course membership sales at the consolidated subsidiary the KANSAI GOLF CLUB compared to the same quarter of the previous fiscal year.

**【Medical Operations】**

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	5,464	8,525	6,720	+56.0%	+26.9%
Operating income	803	2,211	1,290	+175.1%	+71.4%

Medical Operations resulted in increased sales and income, primarily reflecting strong sales of memberships in "GRAND HIMEDIC CLUB" and due to an increase in income from annual membership fees accompanying the growth in membership.

**【Others】**

(¥ million)

	2QFY2012 (Results)	2QFY2013		Year-on-year Change	Results vs. Targets
		(Results)	(Targets)		
Net sales	377	380	570	+0.8%	(33.3%)
Operating income	134	165	200	+23.1%	(17.4%)

Other Operations resulted in increased sales and income. This was primarily attributable to an increase in rent revenue from the rental office building by the consolidated subsidiary R.T. DEVELOPMENT CO., LTD.

**3. Cash Flows**

(¥ million)

	2QFY2012 (Results)	2QFY2013 (Results)
Operating cash flows	4,796	7,752
Investing cash flows	(11,874)	(12,222)
Financing cash flows	5,861	15,289
Cash and cash equivalents	20,672	49,536

**4. Outlook for the Fiscal Year Ending March 31, 2014**

(¥ million)

	FY2012 (Results)	FY2013 (revision target)	Year-on-year Change
Net sales	105,311	112,100	+6.4%
Operating income	12,054	14,000	+16.1%
Ordinary income	12,976	15,100	+16.4%
Net income	7,127	8,400	+17.9%

**CONSOLIDATED BALANCE SHEETS**  
**(Based on Japanese Accounting Principles)**

(Millions of yen)

	<b>September 30 2013</b>	<b>March 31 2013</b>
<b>Assets</b>		
Current assets		
Cash and deposits	36,193	29,443
Notes and accounts receivable—trade	4,244	4,247
Operating loans	22,693	23,423
Securities	28,998	28,399
Merchandise	554	470
Real estate for sale	8,957	12,489
Raw materials and supplies	847	795
Real estate for sale in process	7,403	7,374
Deferred tax assets	4,060	4,283
Other	3,551	4,800
Allowance for doubtful accounts	(707)	(1,715)
<b>Total current assets</b>	<b>116,797</b>	<b>114,012</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	59,181	52,949
Machinery, equipment and vehicles, net	1,760	1,739
Golf courses	11,036	11,036
Land	29,085	27,691
Lease assets, net	2,624	2,665
Construction in progress	1,266	2,144
Other, net	1,468	1,374
<b>Total property, plant and equipment</b>	<b>106,423</b>	<b>99,601</b>
Intangible assets		
Goodwill	428	268
Software	781	876
Other	1,956	1,998
<b>Total intangible assets</b>	<b>3,166</b>	<b>3,142</b>
Investments and other assets		
Investment securities	33,909	21,954
Stocks of subsidiaries and affiliates	1,575	1,219
Long-term loans receivable	1,353	1,393
Deferred tax assets	1,668	1,708
Other	17,319	17,370
Allowance for doubtful accounts	(6,495)	(6,540)
<b>Total investments and other assets</b>	<b>49,329</b>	<b>37,104</b>
<b>Total noncurrent assets</b>	<b>158,920</b>	<b>139,849</b>
<b>Total assets</b>	<b>275,718</b>	<b>253,861</b>

# CONSOLIDATED BALANCE SHEETS

(Based on Japanese Accounting Principles)

(Millions of yen)

	September 30 2013	March 31 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	871	893
Short-term loans payable	300	150
Current portion of long-term loans payable	7,013	8,127
Current portion of bonds	1,850	1,100
Lease obligations	524	526
Accounts payable-other	7,432	6,558
Income taxes payable	3,644	2,483
Accrued consumption taxes	563	877
Advances received	1,234	744
Unearned revenue	7,876	8,223
Provision for loss on guarantees	156	135
Other	8,229	5,366
<b>Total current liabilities</b>	<b>39,696</b>	<b>35,186</b>
Noncurrent liabilities		
Bonds payable	2,475	3,775
Bonds with subscription rights to shares	15,072	—
Long-term loans payable	27,546	27,310
Deferred tax liabilities	1,133	1,060
Lease obligations	2,424	2,564
Provision for retirement benefits	917	778
Provision for directors' retirement benefits	1,702	1,574
Provision for stocks payment	200	99
Long-term guarantee deposited	101,833	105,161
Negative goodwill	643	704
Other	4,052	2,502
<b>Total noncurrent liabilities</b>	<b>158,002</b>	<b>145,529</b>
<b>Total liabilities</b>	<b>197,698</b>	<b>180,716</b>
Net assets		
Shareholders' equity		
Capital stock	14,258	14,258
Capital surplus	13,906	13,906
Retained earnings	46,848	43,391
Treasury stock	(4,762)	(5,679)
<b>Total shareholders' equity</b>	<b>70,250</b>	<b>65,877</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	703	395
<b>Total accumulated other comprehensive income</b>	<b>703</b>	<b>395</b>
Subscription rights to shares	176	287
<b>Minority interests</b>	<b>6,891</b>	<b>6,585</b>
<b>Total net assets</b>	<b>78,020</b>	<b>73,145</b>
<b>Total liabilities and net assets</b>	<b>275,718</b>	<b>253,861</b>

# CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	September 30 2012	September 30 2013
<b>Net sales</b>	<b>52,660</b>	<b>57,743</b>
Cost of sales	9,627	10,314
<b>Gross profit</b>	<b>43,033</b>	<b>47,428</b>
Selling, general and administrative expenses		
Salaries and bonuses	13,744	15,584
Provision for directors' retirement benefits	28	131
Repair and maintenance	1,245	1,326
Provision of allowance for doubtful accounts	—	4
Provision for loss on guarantees	24	20
Utilities expenses	2,399	2,615
Depreciation	2,546	2,476
Other	16,047	16,899
<b>Total selling, general and administrative expenses</b>	<b>36,038</b>	<b>39,059</b>
<b>Operating income</b>	<b>6,995</b>	<b>8,369</b>
Non-operating income		
Interest income	244	304
Dividends income	25	32
Interests and charge for installment payment	2	1
Amortization of negative goodwill	60	60
Reversal of allowance for doubtful accounts	121	1,045
Insurance premiums refunded cancellation	65	—
Other	105	94
<b>Total non-operating income</b>	<b>625</b>	<b>1,539</b>
<b>Non-operating expenses</b>		
Interest expenses paid on loans and bonds	123	135
Equity in losses of affiliates	113	1
Guarantee charge of unearned revenue	1	0
Commission for syndicate loan	3	15
Undeductible consumption tax	97	126
Other	50	74
<b>Total non-operating expenses</b>	<b>390</b>	<b>354</b>
<b>Ordinary income</b>	<b>7,230</b>	<b>9,554</b>

# CONSOLIDATED STATEMENTS OF INCOME

(Based on Japanese Accounting Principles)

(Millions of yen)

	September 30 2012	September 30 2013
Extraordinary income		
Compensation income	192	64
Gain on sales of noncurrent assets	1	0
Gain on sales of subsidiaries and affiliates' stocks	14	7
Other	0	0
<b>Total extraordinary income</b>	<b>208</b>	<b>72</b>
Extraordinary loss		
Loss on retirement of noncurrent assets	12	10
Loss on sales of noncurrent assets	13	1
Loss on valuation of investments in capital	—	1,000
Other	1	0
<b>Total extraordinary losses</b>	<b>27</b>	<b>1,012</b>
<b>Income before income taxes and minority interests</b>	<b>7,412</b>	<b>8,613</b>
Income taxes—current	2,520	3,586
Income taxes—deferred	286	158
<b>Total income taxes</b>	<b>2,806</b>	<b>3,744</b>
Income before minority interests	4,605	4,868
Minority interests in income (loss)	273	(43)
<b>Net income</b>	<b>4,332</b>	<b>4,912</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Based on Japanese Accounting Principles)

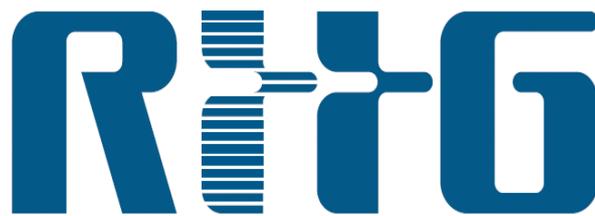
(Millions of yen)

	September 30 2012	September 30 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	7,412	8,613
Depreciation and amortization	2,740	2,638
Amortization of goodwill (negative goodwill)	(24)	(2)
Increase (decrease) in allowance for doubtful accounts	(140)	(1,051)
Increase (decrease) in provision for retirement benefits	185	137
Amount of money on securities contribution to employees' retirement benefits trust	(1,000)	—
Increase (decrease) in provision for directors' retirement benefits	28	127
Interest and dividends income	(270)	(337)
Interest expenses paid on loans and bonds	123	135
Decrease (increase) in notes and accounts receivable-trade	427	750
Decrease (increase) in inventories	3,624	3,207
Increase (decrease) in notes and accounts payable-trade	(66)	(56)
Increase (decrease) in accounts payable-other	(3,141)	(1,764)
Increase (decrease) in advances received	69	457
Increase (decrease) in long-term guarantee deposits received	(1,688)	(3,348)
Increase (decrease) in accrued consumption taxes	(63)	(314)
Other, net	(1,309)	817
<b>Subtotal</b>	<b>6,906</b>	<b>10,010</b>
Interest and dividends income received	238	304
Interest expenses paid	(124)	(135)
Income taxes paid	(2,223)	(2,425)
<b>Net cash provided by (used in) operating activities</b>	<b>4,796</b>	<b>7,752</b>
Net cash provided by (used in) investing activities		
Payments into time deposits	(229)	(1,725)
Proceeds from withdrawal of time deposits	1,979	775
Purchase of securities	(27,005)	(25,494)
Proceeds from sales and redemption of securities	20,000	29,900
Purchase of investment securities	(5,162)	(9,777)
Proceeds from sales and redemption of investment securities	900	1,000
Purchase of stocks of subsidiaries and affiliates	(17)	(365)
Proceeds from sales of stocks of subsidiaries and affiliates	24	16
Purchase of property, plant and equipment and intangible assets	(2,468)	(2,762)
Payments of loans receivable	(28)	(32)
Collection of loans receivable	99	2,019
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(2,373)
Other, net	34	(3,401)
<b>Net cash provided by (used in) investing activities</b>	<b>(11,874)</b>	<b>(12,222)</b>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	1,000	150
Proceeds from long-term loans payable	8,553	3,870
Repayment of long-term loans payable	(5,184)	(4,747)
Proceeds from issuance of bonds	—	15,047
Redemption of bonds	(750)	(550)
Purchase of treasury stock	(0)	(8)
Proceeds from disposal of treasury stock	621	795
Cash dividends paid	(936)	(1,447)
Cash dividends paid to minority shareholders	(0)	(0)
Other, net	2,557	2,180
<b>Net cash provided by (used in) financing activities</b>	<b>5,861</b>	<b>15,289</b>
Effect of exchange rate change on cash and cash equivalents	(0)	1
Net increase (decrease) in cash and cash equivalents	(1,215)	10,820
Cash and cash equivalents at beginning of period	21,888	38,716
<b>Cash and cash equivalents at end of period</b>	<b>20,672</b>	<b>49,536</b>

## **Disclaimer Regarding Forward-looking Statements**

Any statements in this presentation document, other than those of historical fact, are forward-looking statements about the future performance of Resorttrust, inc.

and its group companies, which are based on management's assumptions and beliefs in light of information currently available, and involve risks and uncertainties. Actual results may differ materially from these forecasts.



RESORTTRUST  
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